IN THE HIGH COURT OF JUDICATURE, ANDHRA PRADESH AT HYDERABAD

THE HONOURABLE SRI JUSTICE L.NARASIMHA REDDY

WRIT PETITION NO.7894 OF 2007

DATED 24-4-2007

BETWEEN

P.Satya Narayana.

.. Petitioner

And

The Regional Manager,
APSRTC Karimnagar,
Karimnagar District and another.

.. Respondents

THE HONOURABLE SRI JUSTICE L.NARASIMHA REDDY

WRIT PETITION NO.7894 OF 2007

Oral Order:

The petitioner is the owner of a bus bearing No. AP 15 V 3525. It was engaged by the A.P. State Road Transport Corporation (APSRTC) on hire for being plied on the route from Vemulavada to Suddala and Sircilla. The contract was in force between 15.6.2001 and 16.6.2006. While so, on 17.3.2005, the bus met with an accident, giving rise to filing of O.P.No.499 of 2005 by one Smt.Anumala Yellavva in the Court of the Additional District Judge (MACT at Karimnagar), Karimnagar claiming compensation of Rs.3,50,000/-. An amount of Rs.2,02,608/- payable to the petitioner towards hire charges for the period from 1.2.2006 to 31.5.2006 is said to have been withheld

by the respondents. The petitioner seeks a direction to the respondents for release of the said amount.

Heard the learned counsel for the petitioner and the learned standing counsel for the respondent.

The liability to satisfy the decree/award that may be passed in the O.P. rests upon the petitioner as well as the insurer of the bus. The O.P. was filed by impleading the A.P.S.R.T.C as a respondent. The object of the respondents in withholding a part of hire charges payable to the petitioner is to ensure that the financial burden that may be caused to it, in the event of any decree/award being passed against it, is taken care of. In the ordinary course, once the vehicle is insured, the liability arising out of the award passed in the O.P. must be met by the said insurer. In the O.P. the A.P.S.R.T.C is likely to be held jointly and severally liable for payment of compensation. Therefore, the respondents cannot be found fault with, for withholding the amount.

However, in case the petitioner is able to indemnify the respondents, he can be released the amount. For this purpose, he has to file an application before the Tribunal and as soon as the indemnity offered by him is recorded by the Tribunal, the respondents can be directed to release the amount due to the petitioner.

Hence, the writ petition is disposed of directing that it shall be open to the petitioner to file an application before the Motor Accidents Claims Tribunal in O.P.No.499 of 2005 with a prayer to record his undertaking to indemnify the respondents, in the event of any decree/award being passed against them exclusively or jointly and severally. In case such an undertaking is recorded and a copy of such order is placed before the respondents, they shall release the amount payable to the petitioner within a period of 15 days from the date of such production.

L.NARASIMHA REDDY,J

Dated 24.4.2007

Note: Issue CC in 3 days

(b/o)

msv